GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:116
ANSWERED ON:23.07.2001
CONTRACTS FOR DUTY FREE SHOPS
M.V.CHANDRASHEKHARA MURTHY;NARESH KUMAR PUGLIA;T.M. SELVAGANAPATHI

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Airports Authority of India (AAI) have awarded contracts for duty free shops during the past three years;

(b) if so, the details in this regard;

(c) whether the AAI have been losing crores of rupees per year on awarding of such contracts to parties which have no sufficient experience in the field;

(d) if so, the details thereof and the reasons therefor; and

(e) the remedial steps taken by the AAI in this regard?

Answer

THE MINISTER OF CIVIL AVIATION (SHRI SHARAD YADAV)

(a) and (b): In respect of Existing Duty Free Shops covering an area of 1660.64 sqm. at Mumbai, Delhi, Chennai, Kolkataand Thiruvananthapuram Airports, fresh contracts have been awarded in December, 2000 for a period of 5 years from 1.1.2001 to India Tourism Development Corporation (ITDC) against totallicence fee of US $ 40,143,270.85 (Rs.188.07 crores approx.). In respect of Additional Duty Free Shops covering an area of 1734.65 sqm. at above airports, contract has been offered in May, 2001 to ITDC for a period of 5 years against the licence fee of US $ 18,316,782.84 (Rs.79.458 crores approx.). The acceptance of the award by ITDC is still awaited.

(c) : No, Sir.

(d) and (e): Do not arise.